LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6766 NOTE PREPARED: Dec 29, 2009

BILL NUMBER: SB 200 BILL AMENDED:

SUBJECT: Indiana Firearms Freedom Act.

FIRST AUTHOR: Sen. Walker BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that a firearm, a firearm accessory, or ammunition that: (1) is manufactured commercially or privately in Indiana from basic materials; (2) can be manufactured without the inclusion of any significant parts imported from another state; and (3) remains within the borders of Indiana; is not subject to federal law or federal regulation, including registration, under the authority of the United States Congress to regulate interstate commerce.

Effective Date: July 1, 2010.

Explanation of State Expenditures: *Summary*: The bill may increase the workload of the Office of the Attorney General and will increase the workload of the Indiana State Police.

<u>Additional Information</u>: Office of the Attorney General: Any increase in workload to the Office of the Attorney General will depend on the action of the federal government and any reaction by the state.

Indiana State Police: This bill may increase the workload of the Indiana State Police (ISP) to ensure that firearms, firearm accessories, and ammunition possessed within the state's borders either meet federal regulations or the regulations contained in this bill. The ISP may also be required to ensure that any firearms, firearm accessories, and ammunition manufactured in the state of Indiana are sold and distributed under the regulations of the bill and contain the "Made In Indiana" branding.

Manufacturing Compliance: It is assumed that individuals wishing to distribute, purchase, or possess firearms in compliance with the bill would still be required to fulfill the regulations contained in IC 35-47.

SB 200+ 1

Currently, firearm manufacturers are licensed and regulated by the U.S. Bureau of Alcohol, Tobacco, and Firearms (ATF). The ATF reports that as of June 2009 there were 71 manufacturers of firearms (other than destructive devices) and one manufacturer of destructive devices licensed in the state. Qualifying firearms that are "Made In Indiana" that are manufactured, sold, and possessed within the state's borders would still be subject to state law in IC 35-47.

Explanation of State Revenues:

Explanation of Local Expenditures: This bill may increase the workload of local law enforcement and county sheriffs to ensure that firearms, firearm accessories, and ammunition possessed within the state's borders either meet federal regulations or the regulations contained in this bill. Local law enforcement and county sheriffs may also be required to ensure that any firearms, firearm accessories, and ammunition manufactured in the state of Indiana are sold and distributed under the regulations of the bill and contain the "Made In Indiana" branding.

Explanation of Local Revenues:

State Agencies Affected: Office of the Attorney General; ISP.

Local Agencies Affected: Local law enforcement, county sheriffs.

Information Sources: U.S. Bureau of Alcohol, Tobacco, and Firearms.

Fiscal Analyst: Bill Brumbach, 232-9559.

SB 200+ 2